(c) the impact of these meausres on boosting sales during the last two months?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK): (a) to (c) Indian Airlines has decided to do away with the reqirement of a Bank Guarantee in respect of domestic sales in India by an agent whom no irreglarity has been recorded for the last 12 consecutive months.

Indian Airlaines has taken an insurance cover for sales made in India against credit risk of defaults in payments on domestic sales by its travel agents and on sales on Indo-Nepal, Indo-Male and Indo-Bangladesh sectors only by non-IATA agents. This insurance cover is avalid for a period of one year from 1st May, 2002 to 30th April, 2003. This has made possible for Indian Airlines to do away with restrictions on sales by agents. In case of non-payment by such agents, insurance company will make good the amounts due to Indian Airlaines. With this procedure, the concept of over-trading is no longer valid on domestic sectors.

In respect of international sales made in India, International Air Transport Association (IATA) approved agents furnish a Bank Guarantee to IATA. This Bank Guarantee covers international sales made on any airline by the agent.

Since the insurance cover has been introduced only from 1st May, 2002, its impact on the sales cannot be assessed presently.

Leasing of foreign air-carriers by domestic Airlines

616. SHRI B.J. PANDA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether domestic Airlines can lease foreign air-carriers and whether Sahara Airlines has been iven such a permission, as reported in the Economci Times of 10th June, 2002, if so, the details thereof;

(b) what are the terms and conditions of lease of foreign air-carriers;

(c) whether any other Indian company has been allowed this facility earlier, if so, the details thereof and whether any other Airlines will be granted such permission; and

(d) whether the move now is towards foreign direct investment in the domestic sector?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK): (a) to (c) Yes, Sir. Under the revised guidelines Aeronautical Information Circular (AIC) No. 5 of 2002 issued on 4-6-2002, domestic scheduled airlaines are permitted to import aircraft on dry lease from foreign airlines. M/s Sahara Airlaines was permitted to import 12 CRJ aircraft on dry lease from foreign airlines. Now, any other scheduled airlines can import aircraft on dry lease from foreign airlines. The terms and conditions of lease are between leassor and the lessee, and vary between parties.

(d) The domestic air transport policy approved by the Government provides for foreign equity participation upto 40% and investment by Non-resident Indians (NRIs)/Overseas Corporate Bodies (OCBs) upto 100% in the domestic airtransport services. Foreign airlines are, however, not permitted to pick up equity directly or indirectly.

New warning equipment System in IA aircrafts

617. SHRI P. PRABHAKAR REDDY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Indian Airlaines aircrafts are being provided with new warning equipment shortly;

(b) if so, the details thereof;

(c) the advantages to these new equipments;

(d) whether the installation of the new system would help the pilots to take preventive steps to avoid accidents; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK): (a) and (b) Yes, Sir. In accordance with standards laid down by International Civil Aviation Organisation (ICAO) for the operations of the aeroplanes, Enhanced Ground Proximity Warning System (EGPWS) is required to be installed before 1st January, 2003 on all turbine engined aeroplanes of maximum certified take off mass in excess of 15,000 kgs. or aeroplanes type certified to carry